News-item captioned 'Shady Deals Worth Rs. 1000 Crore Come to Light'

2305. SHRI J. P. GOYAL: Will the Minister of FINANCE be pleased to state:

(a) whether Government's attention has been drawn to a news-item published in the Indian Express of the 21st February, 1986 captioned 'Shady deals worth Rs. 1000 crore come to light';

(b) if so, what are the names of the major business houses in the country whose premises were raided by the Enforcement Directorate recently which revealed fraudulent deals and other illegal foreign exchange transactions;

(c) what was the *modus operandi* adopted by these firms; and

(d) what action has so far been taken or proposed to be taken against such unscrupulous business houses?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHAN POOJARI): (a) Yes, Sir.

(b) and (c) The premises of the following big business houses, suspected to be involved in violation of the provisions of Foreign Exchange Regulation Act, were searched during 1985-86 by the Enforcement Directorate:

1. Kirloskar Group of Companies.
2. Vikram Exports.
3. United Breweries Ltd
4. Oswal Group.
5. Brooke Bond India Ltd.
6. A.B. Cursetji & Co.
7. M/s. Bata India Ltd.

The *modus-oparandi* adopted by company(ies) included over invoicing of experts, non-realisation of export-proceeds, retention of commission and establishing of benami companies abroad.

(d) In some cases, invetigations are still in progress. In a few cases, Show Cause Notice(s) have been issued and in one case, prosecution has also been launched. Appropriate action under the law, as warranted by the results of investigations, will be taken.

Steps to boost up demand for raw jute goods

2306. SHRI GURUDAS DAS GUPTA: Will the Minister of TEXTILES be pleased to state what steps Government propose to take to boost up the demand for raw jute goods in the internal market?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN): At present, there is hardly any imbalance between demand and supply of jute goods in the country as inspite of larger production, off take has also kept pace with production. However, Government has been taking various steps, from time to time, for boosting demand for jute goods in the internal market, which include;

(i) purchase of jute goods by Government (DGS&D) from jute industry on cost plus basis;

(ii) Compulsory use of 100 per cent new jute bags by cement industry;

(iii) improving the competitiveness of jute goods *vis-a-vis* synthetic substitute through fiscal and R&D efforts.

Supply of wheat, rice and sugar to States

2307. SHRI V. NARAYANASAMY: Will the Minister of FOOD AND CIVIL SUPPLIES be pleased to state:

(a) what was the total quantity of wheat, rice and sugar supplied by the Central Government to the different States from the Central pool during the year 1985-86;

(b) what was the quantity of wheat, rice and sugar demanded by the Government of Pondicherry for the years 1984-85 and 1985-86 and what was the total quantity supplied to them; and

(c) whether Government propose to increase the allotment quota of wheat, rice and sugar to various States in view of the good monsoon and bumper crop?

THE MINISTER OF STATE IN THE MINISTRY OF PLANNING AND FOOD AND CIVIL SUPPLIES (SHRI AJIT PANJA): (a) A total quantity of 83.09 lakh tonnes of rice, 182.84 lakh tonnes of wheat and 40.02 lakh tonnes of levy sugar was allotted to the various States/Union Territories during 1985-86.

(b) Demand and allotment of wheat, rice and sugar to Pondicherry for the years 1984-85 and 1985-86 was as under:

(In '000 tonnes)

1984-85	Wheat	Rice	Sugar
Demand	12·05	18·0	*
Allotment	10·24	20·0	3·296
1985-86			
Demand	18·07	24·5	*
Allotment	18·79	23·5	3·472

* Levy sugar quotas of the various State Governments are not based on requirement or demand, but on certain uniform norms.

(c) Allocations of wheat and rice to various States have already been liberalised. It is, however, not proposed to increase the monthly levy sugar quotas keeping in view the total over-all availability during 1985-86 season.

Export of groundnut and oil cakes

2308. SHRI V. NARAYANASAMY. Will the Minister of COMMERCE be pleased to state.

(a) whether it is a fact that there is a fall in the export of groundnut and oil cakes;

(b) what was the quantity of groundnut and oil cakes exported to different countries during the year 1984-85, country-wise; and

(c) what steps have been taken by Government to increase the export of the above items during the financial year 1986-87?

THE MINISTER OF COMMERCE AND FOOD AND CIVIL SUPPLIES (SHRI P. SHIV SHANKER): (a) India's export of groundnut and groundnut extractions during 1985-86 is expected to be lower compared to exports in the previous year

(b) India's exports of groundnuts and groundnuts extraction during 1984-85 country-wise are annexed as per statement below.

(c) The following steps have been taken to increase the export of groundnut extractions and groundnuts:—

(i) A new regime of Cash Compensatory Support is under preparation;

(ii) Fiscal measures have been announced in the budget proposal aimed at improving the competitiveness.

(iii) Efforts are being made to diversify the new markets for groundnut extractions.

(iv) Studies on control of aflatoxin have been initiated.